

FIRST REGULAR SESSION

HOUSE BILL NO. 827

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHEILDS.

Read 1st time February 20, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

1781L.011

AN ACT

To repeal section 32.105, RSMo 2000, relating to the neighborhood assistance act, and to enact in lieu thereof one new section relating to the same subject.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 32.105, RSMo 2000, is repealed and one new section enacted in lieu thereof, to be known as section 32.105, to read as follows:

32.105. As used in sections 32.100 to 32.125, the following terms mean:

(1) "Affordable housing assistance activities", money, real or personal property, or professional services expended or devoted to the construction, or rehabilitation of affordable housing units;

(2) "Affordable housing unit", a residential unit generally occupied by persons and families with incomes at or below the levels described in this subdivision and bearing a cost to the occupant no greater than thirty percent of the maximum eligible household income for the affordable housing unit. In the case of owner-occupied units, the cost to the occupant shall be considered the amount of the gross monthly mortgage payment, including casualty insurance, mortgage insurance, and taxes. In the case of rental units, the cost to the occupant shall be considered the amount of the gross rent. The cost to the occupant shall include the cost of any utilities, other than telephone. If any utilities are paid directly by the occupant, the maximum cost that may be paid by the occupant is to be reduced by a utility allowance prescribed by the commission. Persons or families are eligible occupants of affordable housing units if the household combined, adjusted gross income as defined by the commission is equal to or less than the following percentages of the median family income for the geographic area in which the

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

17 residential unit is located, or the median family income for the state of Missouri, whichever is
 18 larger; ("geographic area" means the metropolitan area or county designated as an area by the
 19 federal Department of Housing and Urban Development under Section 8 of the United States
 20 Housing Act of 1937, as amended, for purposes of determining fair market rental rates):

| 21 | Percent of State or | |
|----|------------------------|---------------|
| 22 | Geographic Area Family | |
| 23 | Size of Household | Median Income |
| 24 | One Person | 35% |
| 25 | Two Persons | 40% |
| 26 | Three Persons | 45% |
| 27 | Four Persons | 50% |
| 28 | Five Persons | 54% |
| 29 | Six Persons | 58% |
| 30 | Seven Persons | 62% |
| 31 | Eight Persons | 66% |

32 (3) "Business firm", a person, firm, [a] partner in a firm, corporation or [a] shareholder
 33 in an S corporation doing business in the state of Missouri and subject to the state income tax
 34 imposed by the provisions of chapter 143, RSMo, or a corporation subject to the annual
 35 corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an insurance
 36 company paying an annual tax on its gross premium receipts in this state, or other financial
 37 institution paying taxes to the state of Missouri or any political subdivision of this state pursuant
 38 to the provisions of chapter 148, RSMo, or an express company which pays an annual tax on its
 39 gross receipts in this state, **or an individual subject to the state income tax imposed by the**
 40 **provisions of chapter 143, RSMo;**

41 (4) "Commission", the Missouri housing development commission;

42 (5) "Community services", any type of counseling and advice, emergency assistance or
 43 medical care furnished to individuals or groups in the state of Missouri or transportation services
 44 at below-cost rates as provided in sections 208.250 to 208.275, RSMo;

45 (6) "Crime prevention", any activity which aids in the reduction of crime in the state of
 46 Missouri;

47 (7) "Defense industry contractor", a person, corporation or other entity which will be or
 48 has been negatively impacted as a result of its status as a prime contractor of the Department of
 49 Defense or as a second or third tier contractor. A "second tier contractor" means a person,
 50 corporation or other entity which contracts to perform manufacturing, maintenance or repair
 51 services for a prime contractor of the Department of Defense, and a "third tier contractor" means
 52 a person, corporation or other entity which contracts with a person, corporation or other entity

53 which contracts with a prime contractor of the Department of Defense;

54 (8) "Doing business", among other methods of doing business in the state of Missouri,
55 a partner in a firm or a shareholder in an S corporation shall be deemed to be doing business in
56 the state of Missouri if such firm or S corporation, as the case may be, is doing business in the
57 state of Missouri;

58 (9) "Economic development", the acquisition, renovation, improvement, or the
59 furnishing or equipping of existing buildings and real estate in distressed or blighted areas of the
60 state when such acquisition, renovation, improvement, or the furnishing or equipping of the
61 business development projects will result in the creation or retention of jobs within the state; or,
62 until June 30, 1996, a defense conversion pilot project located in a standard metropolitan
63 statistical area which contains a city with a population of at least three hundred fifty thousand
64 inhabitants, which will assist Missouri-based defense industry contractors in their conversion
65 from predominately defense-related contracting to nondefense-oriented manufacturing. Only
66 neighborhood organizations, as defined in subdivision (15) of this section, may apply to conduct
67 economic development projects. Prior to the approval of an economic development project, the
68 neighborhood organization shall enter into a contractual agreement with the department of
69 economic development. Credits approved for economic development projects may not exceed
70 four million dollars from within any one fiscal year's allocation. Neighborhood assistance
71 program tax credits for economic development projects and affordable housing assistance as
72 defined in section 32.111, may be transferred, sold or assigned by a notarized endorsement
73 thereof naming the transferee;

74 (10) "Education", any type of scholastic instruction or scholarship assistance to an
75 individual who resides in the state of Missouri that enables the individual to prepare himself or
76 herself for better opportunities or community awareness activities rendered by a statewide
77 organization established for the purpose of archeological education and preservation;

78 (11) "Eligible farmers' market", a group of farmers, each of whom farms agricultural land
79 located within this state which he or she rents or owns, and who have formed a group for the
80 purpose of allowing each member farmer to sell his or her products derived from his or her
81 farming activities to the public at a common structure or building when at least fifty percent of
82 the costs of such structure or building are paid for by such group of farmers;

83 (12) "Eligible new generation cooperative", as defined in section 348.340, RSMo;

84 (13) "Homeless assistance pilot project", the program established pursuant to section
85 32.117;

86 (14) "Job training", any type of instruction to an individual who resides in the state of
87 Missouri that enables the individual to acquire vocational skills so that the individual can
88 become employable or be able to seek a higher grade of employment;

89 (15) "Neighborhood organization", any organization performing community services or
90 economic development activities in the state of Missouri and:

91 (a) Holding a ruling from the Internal Revenue Service of the United States Department
92 of the Treasury that the organization is exempt from income taxation pursuant to the provisions
93 of the Internal Revenue Code; or

94 (b) Incorporated in the state of Missouri as a not-for-profit corporation pursuant to the
95 provisions of chapter 355, RSMo; or

96 (c) Designated as a community development corporation by the United States
97 government pursuant to the provisions of Title VII of the Economic Opportunity Act of 1964;
98 or

99 (d) Contributing funds to help finance a building or structure or purchase equipment
100 located within this state and used to sell agricultural food products or to add value to food
101 products produced in this state by members of an eligible new generation cooperative; or
102 contributing funds to help finance a building or structure or purchase equipment owned by a not-
103 for-profit organization located within this state and used to sell agricultural food products or to
104 add value to food products produced by family farms as defined in subdivision (4) of section
105 350.010, RSMo, or family farm corporations as defined in subdivision (5) of section 350.010,
106 RSMo;

107 (16) "Physical revitalization", furnishing financial assistance, labor, material, or technical
108 advice to aid in the physical improvement or rehabilitation of any part or all of a neighborhood
109 area;

110 (17) "S corporation", a corporation described in Section 1361(a)(1) of the United States
111 Internal Revenue Code and not subject to the taxes imposed by section 143.071, RSMo, by
112 reason of section 143.471, RSMo;

113 (18) "Workfare renovation project", any project initiated pursuant to sections 215.340
114 to 215.355, RSMo.